

## After Near Equilibrium in '75

# French '76 Payments Deficit Rise to 27.5 Billion Francs

PARIS, March 14 (UPI)—The balance of payments deficit rose to 27.5 billion francs in 1976, following a near equilibrium in 1975, the Finance Ministry said today.

The ministry also showed a trade deficit of 14.5 billion francs compared with a surplus of 1.2 billion francs in 1975.

The value of imports in the fourth quarter rose by 45 per cent compared with the same period of 1975, while the value of exports rose by only 29.5 per cent, the Finance Ministry noted.

## It Gains Nationally

# Chirac Seems to Be Assured Becoming Mayor of Paris

By James Goldsborough

PARIS, March 14 (UPI)—A government minister, speaking privately, said that Mr. Chirac, "certainly will have learned a lesson from these elections. I would not expect to hear any more talk about early national elections." The elections for parliament are scheduled for next March.

Chirac's victory in Paris was a significant boost for his political career. He won 52.2 per cent of the vote in the first round, compared with 47.8 per cent for the Socialist candidate, Jean-Pierre Chevènement.

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## Finds Safeguards Inadequate

# West German Court Rejects Another Atomic Power Plant

BONN, March 14 (UPI)—Opponents of nuclear power won a court fight today that appears to halt the construction of atomic power plants indefinitely throughout West Germany.

The Federal Administrative Court in Bonn rejected the application for a license to build a new atomic power plant at the site of the old one.

Berhard Rossgow, president of the administrative court, said that while plans for the plant conformed to laws governing nuclear-reactor safeguards, the court nevertheless believed that the reactor's pressure mantle was insufficient and did not reflect the latest available techniques.

The Freiburg court heard the testimony of more than 50 West German and foreign experts before making its decision.

Two weeks earlier, a court in the north German state of Schleswig-Holstein halted the proposed construction of another 1,350-megawatt nuclear power plant on the Elbe River below Hamburg.

Together, the two decisions effectively halted the nuclear power-plant program that all major power and state governments insist is necessary if economic growth and high employment are to be maintained.

Citizens' groups fought construction of the nuclear power plants. Some groups living in tents occupied the Freiburg area site for months to prevent construction.



MAKING POINT—Khabib Hamaas Abdul Khaalis on way to court yesterday.

## Muslim Leader Charged With Kidnapping

WASHINGTON, March 14 (AP)—Khabib Hamaas Abdul Khaalis, leader of the Hanati Muslim group that held 124 persons hostage last week, was charged today with kidnapping, an offense that carries a maximum sentence of life in prison.

"You hate me, you hate the ground I walk on but I don't hate anyone," Khaalis told photographers as he left his cell's headquarters here to go to the brief booking procedure.

## Kenya's Petition OAU, UN

# Bishops Ask Uganda Intervention

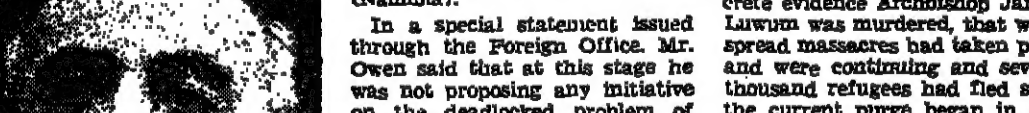
NAIROBI, March 14.—The Anglican archbishop and bishops of Kenya today called for the formation of an international police force to end what they called a "reign of terror" in Uganda.

The bishops said there were widespread arrests in Uganda, that thousands were fleeing the country and looting was rampant.

## U.K. Official Sets Southern Africa Tour

LONDON, March 14 (Reuters).—Foreign Secretary David Owen today announced he will visit southern Africa for talks on Rhodesia and South-West Africa (Namibia).

In a special statement issued through the Foreign Office, Mr. Owen said that at this stage he was not proposing any initiative on the deadlocked problem of Rhodesian independence.



Hans Friderichs

During the dispute, some of the pickets turned away trucks carrying nitrogen and carbon dioxide. The gases are used to provide fireproof shields for stocks of plutonium carbides, which without them are liable spontaneously to catch fire.

British officials said Mr. Owen had no plans to visit Rhodesia, but he might meet Prime Minister Ian Smith in Cape Town, provided the Rhodesian leader made an approach first.

In Salisbury, Rhodesia, Foreign Minister Pieter van der Byl today welcomed Mr. Owen's plan to visit southern Africa but indicated he expected to meet his

(Continued on Page 2, Col. 1)

## Union Struggle Indicated

# Spain Links 7 Held In Killings to Right

MADRID, March 14 (UPI)—Police today described Spain's worst terrorist act of the post-Franco period as the result of a feud between labor chiefs, but said several of the presumed killers were members of an extreme rightist party led by a member of parliament, Blas Pinar.

The announcement was made in a news conference called to release details of the weekend arrest of six men and a woman. Police said those arrested included the two triggermen in what has become known as the "Atocha massacre."

On the night of Jan. 24, two gunmen entered the office of Communist labor lawyers near Madrid's Atocha railroad station, ordered eight lawyers and their employee against a wall and shot them. Four lawyers and the employee were killed and the four others gravely injured.

Madrid's police chief, Jose Maria Callejas, said the slayings—which occurred at the time of a bus drivers' strike—was rooted in a feud between two labor chiefs.

Sindicato vs. Commission

One of the labor chiefs is Francisco Albaladejo, the secretary of the Madrid transport workers union—a branch of the Spanish state government-controlled sindicato, which opposed the strike. The other is Joaquin Navarro, a member of a Communist-dominated Workers Commission which, in effect, controlled the bus drivers and was leading their strike.

Police chief Callejas said Mr. Albaladejo had received threats from Mr. Navarro and hired the gunmen to "retaliate" against his rival. When the gunmen did not find Mr. Navarro in the office of the union's attorneys, they shot the lawyers instead, "possibly out of nervousness," he said.

Mr. Callejas said several of those arrested were past or present members of the rightist party Fuerza Nueva (New Force), but said that there was no evidence yet linking the slayings to that group.

"We've just arrested the presumed authors and they have confessed," Mariano Navarro, national security chief, said. "To look into the full political background will be part of another stage of the investigations."

Police last month identified another member of Fuerza Nueva as the presumed killer of a student in a Madrid street demonstration on the day of the "Atocha massacre." They recently also reported the discovery of a clandestine arms factory in Madrid installed in premises rented by a Fuerza Nueva militia.

Fuerza Nueva is led by Mr. Pinar, a Madrid notary whom Franco appointed as a member of the Cortes (parliament).

Mr. Pinar has been summoned by police for questioning tomorrow on what the national news agency Cifra said were "events in which persons presumably related to Fuerza Nueva have been involved."

Mr. Callejas identified Carlos Garcia Julia, 21, an office employee, and Jose Fernandez Cerrera, 31, a salesman, as the two triggermen in the "Atocha massacre." He said the five others were arrested as accomplices and a great quantity of arms and ammunition was seized.

Injury Fatal to Basque

MADRID, March 14.—Political violence in the Basque region has caused another death. A youth hit in the head by a rubber bullet fired by police in street protests Saturday died in a San Sebastian hospital today.

The death of Jose Luis Aristizabal, 20, was the fourth in the unrest in the region in less than a week. Scores have been injured in gunfights between Basque separatists and police and in street demonstrations.

Message From Mayors

The Executive Committee report was read to the council by Farouk Kaddoumi, the head of the PLO's political department.

Mahmoud Labady, the council spokesman, told reporters that the council received a message from "most of the mayors" of the Israeli-occupied West Bank of Jordan calling for PLO participation in the Geneva conference "on an equal basis with all other parties."

The mayors' message apparently did not name any other conditions and was regarded by observers as strengthening the hand of the relatively moderate leaders, including Mr. Arafat, who favor negotiation.

The mayors also called for the (Continued on Page 3, Col. 5)

## Shots Miss Son Of Mrs. Gandhi

NEW DELHI, March 14 (Reuters).—Shots were fired late tonight at a jeep carrying Prime Minister Indira Gandhi's son, Sanjay, during an election campaign tour in northern India, the Indian news agency Samachar reported.

It said Mr. Gandhi had a "providential escape" when unknown gunmen fired five shots at the jeep and missed. The attack occurred in the constituency of Amethi, where he is a candidate for the ruling Congress party in this week's general election.

## Just a Drop in a Bucket Is Available

# UN Opens Talks on Overcoming Scarcity of Fresh Water

By Joanne Omang

BUENOS AIRES, March 14 (UPI)—If all the world's water were represented in a half-gallon milk carton, the amount of fresh water that people can get at would be about half a teaspoonful. And only a single drop of that would not have to be pulled out of the earth.

Documents prepared for the United Nations Water Conference that opened today in Mar del Plata, Argentina, are a mine—or perhaps a fountain—of information. The worldwide scarcity of fresh water means that women in rural Burma regularly walk 15 miles a day to get some and bring it home, a six-hour trip. What they get is often polluted: 25,000 persons die every

day throughout the world from water-borne disease. There are floods, droughts, waste, water rights and irrigation to discuss at the two-week conference, which is expected to draw more than 2,000 representatives from most countries on earth.

"This will be a conference on policy and management," said Secretary-General Yashin Abdel Mageed of the Sudan in a briefing. "The accomplishment of the conference should be looked on as creating awareness of the magnitude and importance of the problems of water."

One problem sure to arise is political. UN meetings have traditionally provided forums for conflicting nations to denounce

one another and this one could see several such disputes. India and Bangladesh are quarreling over rights to the Ganges River, while Israel and the Arab countries have all prepared position papers on the Jordan River question in case the other side raises it, according to diplomatic sources.

Panama has said that it will not bring up the canal issue, although some other Latin American country may do so. The host country, Argentina, is considered certain to renew its complaint over Brazil's plans to erect the world's biggest hydroelectric plant on the Panama River just before it enters Argentina.

Conference organizers hope, however, that the main focus will be on the worldwide freshwater

supply crisis looming by the year 2000 and that some action will result "through discussion which leads to agreement at the highest government level," according to the background booklet.

"The perception of water as a finite resource to be preserved and protected is relatively new and not universally shared," a paper prepared for the meeting said. Only one-fifth of the world's population has access to processed drinking water and more than a third of it gets it from a standpipe and not in their homes.

Unaccounted Water

Half of all people supplied with water get it only intermittently, and a quarter to half of all water that leaves the world's treatment plants is listed

as unaccounted for—lost in leaks, unauthorized use or unmetered faucets.

"Rich countries are often well endowed with water, but they too can be faced with a severe water crisis," Mr. Mageed said, noting the severe drought in the western United States. "One way or another, all nations are affected, developing and developed, rich and poor."

A human body demands from a pint and a half to five gallons of water a day, depending on the climate and exercise involved. UN documents said. But human use ranges from a subsistence level three pints to 165 gallons a person where lawns are watered and golf courses maintained.

Growing industrialization is (Continued on Page 3, Col. 5)



## Libya's Name Loses a Bit

In Translation

BRUSSELS, March 14 (UPI)—Libya does not like the name it is being given abroad.

Col. Moamer Qadhafi the leader, announced March 3 that Libya had decided to drop the name "republic" because it was used by some dictatorships. He said the new name would be "Socialist People's Libyan Arab Jamahiriya."

"Jamahiriya" is Arabic for "public" and the name was so translated by Western news agencies.

However, the official Libyan news agency, in a message to international news agencies, has taken exception to the translation. The correct official name, it said, is "Socialist People's Libyan Arab Jamahiriya."

## Owen Sets African Tour

(Continued from Page 1)  
British counterpart in Salisbury, UPI reported.

"I note that the stated purpose of his visit is to have first-hand discussions with those most directly concerned with Rhodesia and I therefore look forward to meeting Mr. Owen in Salisbury," Mr. van der Byl said.

### Geneva Conference

The most recent attempt to shift power from Rhodesia's 270,000 whites to the country's 6 million blacks bogged down in December when a constitutional conference at Geneva broke down.

After the deadlock, British diplomat Ivor Richard was sent on a negotiating mission in southern Africa without success.

In an interview published yesterday in Bulawayo, Rhodesia, Mr. Smith said that Britain and the United States were preparing a new initiative for a Rhodesian settlement. He added that if any new plan was not realistic, he would reject it.

Countries on Mr. Owen's itinerary included Zambia, South Africa, Botswana, Mozambique, Tanzania, and possibly Nigeria although the last was not certain.

His mission is expected to start on April 8 and end 10 days later.

## Regional Goals Cited

## Israeli Plan for Jordan River Is Seen Aiding Mideast Peace

By Arthur Max

JERUSALEM, March 14 (AP)—Israeli engineers have a plan to change the Jordan River from a trickling brook to a torrent of sea water. They say it would foster industrial development in Israel and Jordan and help bring peace to the Middle East.

The planners say their idea would provide an outlet to the Mediterranean Sea for Jordan, as well as hydroelectric power, new industry and more irrigation for both Israel and Jordan.

The plan, which is fresh from the drawing board and has no government approval, calls for digging a canal from the Mediterranean near Haifa to the Jordan River. The canal would pour seawater into the river, which in turn drains into the Dead Sea, which is fast being depleted.

The idea would involve Israel and Jordan in mutual regional development, joint engineering and financing and could eventually include Syria and Lebanon by helping them tap new water resources.

Regional cooperation is one of the elements in Israel's definition of "true peace" in the Middle East and is one of the cornerstones of its foreign policy. Yet the regional development plan is meeting opposition within the Jerusalem government because of its bold scope and expense.

The government has already approved a feasibility study on digging a tunnel from the Mediterranean to the Dead Sea. At \$400 million, the tunnel would be half as expensive as the more ambitious canal plan. But the tunnel, while it would replenish the Dead Sea, would not help the Jordan River, which has been carrying less water since Israel and Jordan began drawing on its headwaters for irrigation.

**Jordanian Dam Project**  
Within five years the Jordanians plan to dam the Yarmuk River, feeding the Jordan, drying up the Jordan completely, the Israelis say.

The originator of the canal plan, Shimon Gur, says it would provide jobs for hundreds of thousands of Palestinian refugees in agriculture, shipping and new industries.

"It should have the support of anyone who wants peace and stability in the area," said Mr. Gur, who works for an independent engineering firm in cooperation with Tel Aviv University.

The plan envisages a 35-mile-long canal across northern Is-

rael leading to a new lake to be created in the Beit Shean Valley, which could serve Jordan as a container-ship terminal. A five-mile-long elevated highway would connect the port to Jordanian territory.

"Jordanian merchants will be able to use this port most advantageously by converting it into a container port for Saudi Arabia and the sheikhdoms of the Gulf and even Baghdad, while presently 10 days are required to navigate around the Suez Canal and the Red Sea," the plan's prospectus says.

### 2 Power Stations

Two hydroelectric power stations, one each for Jordan and Israel, could produce a total of 2,300 megawatts. "Just for Israel it would save \$200 million a year in oil imports," Mr. Gur said in an interview.

Fresh water now dumping into the Jordan River on both sides of the border could be diverted for irrigation in the northern Jordan Rift, where the climate is perfect for profitable out-of-season vegetables.

The plan also envisages greatly expanded chemical and mineral industries in the southern Jordan Rift, drawing on the rich deposits in the Dead Sea.

Because the plan has not been approved by the Israeli government, it has not been officially suggested to Jordan.

But Israeli scientists, hoping the world would reach Amman, have been talking about the project behind the scenes at international conferences. So far there has been no reaction, Mr. Gur said.

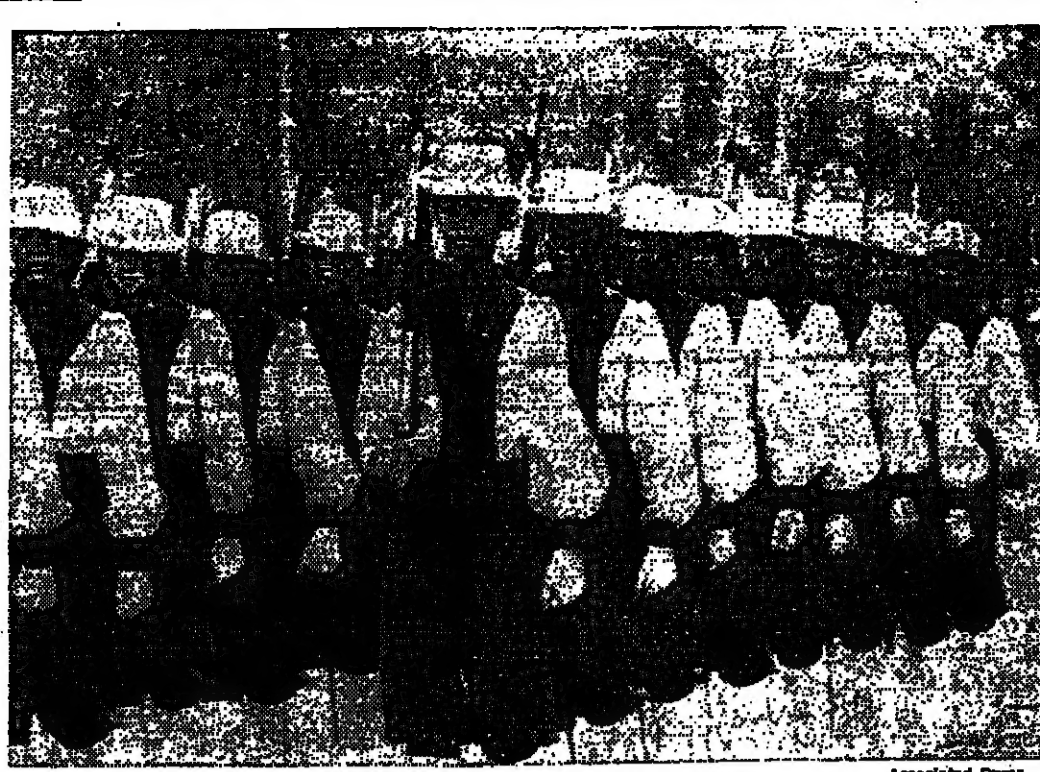
"If Jordan gave us any encouragement, it would greatly improve the chances of getting the plan through our own government," a diplomatic source said.

At least one previous attempt failed to bring the Middle East belligerents to agree on developing and sharing water supplies.

That plan, sponsored by Eric Johnston, acting as an emissary of President Dwight Eisenhower, was rejected by the Arab League in 1954 and led to a crisis when Israel bombed the beginnings of a Syrian dam intended to block Israeli water sources.

### Bokassa's 30th Child

PARIS, March 14 (Reuters).—Emperor Bokassa of the Central African Empire decreed today a national holiday to celebrate the birth of his 30th child, a boy, Bangui radio monitored here reported.



SNAPPY OUTFIT—Thailand women's militia stole the show at Bangkok review.

## Seen as General Framework, Not Blueprint

## Carter's Mideast Views Are Elaborated

By Don Oberdorfer

WASHINGTON, March 14 (UPI)—President Carter's proposals for a peace agreement in the Middle East include such arrangements as Israeli leasing of Arab land and Arab-Israeli peace-keeping patrols under international auspices, according to officials familiar with his thinking.

Mr. Carter's ideas are described as an attempt to create a framework rather than a detailed blueprint for a Mideast settlement. They were discussed in detail with Israeli Prime Minister Yitzhak Rabin during his visit to the White House last week and will be tried out on a succession of Arab leaders who are scheduled to meet with Mr. Carter next month and in May.

Mr. Carter's first attempt at Middle East diplomacy began last Monday with his surprise endorsement, at the White House welcoming ceremony for Mr. Rabin, of Israel's long-standing demand for "defensible borders."

Because those words are used in Israel to mean large-scale retention of occupied Arab land, Mr. Carter's statement delighted Mr. Rabin and sent shock waves through the Arab world.

But at Wednesday's press conference, Mr. Carter, in response to a newsman's request for a definition of "defensible borders," described such phrases as "just semantics." Then he began an explanation of his own ideas.

As set forward by the President and explained by those familiar with his thinking, Mr. Carter's suggestions are similar in many respects to those announced in 1975 by a study commission sponsored by the Brookings Institution.

This involves Arab commitment to a full peace with Israel, including trade, tourism and cultural exchanges, in return for Israeli withdrawal from occupied territories with only such exceptions as mutually agreed. Mr. Carter suggested that they would be "minor adjustments" to the 1967 borders.

As in the Brookings plan, the agreement in principle to a final settlement would be implemented in stages over a number of years. Mr. Carter mentioned two, four, eight years or more. Each stage of peace normalization or withdrawal would be dependent on the satisfactory fulfillment of the preceding stage.

Mr. Carter's suggestion of "defensible lines" that may not conform to the final "legal borders" appeared to refer to the interim period during the phased withdrawal. The demilitarized zones of 13 miles or so that Mr. Carter mentioned Wednesday—and the

leasing plan and patrol arrangements, which he did not mention on Wednesday—could have either interim or long-term significance.

### Palestinian Problem

A notable omission from Mr. Carter's suggestions Wednesday was any mention of the solution to the Palestinian problem.

The Brookings commission called for Palestinian self-rule on the West Bank of the Jordan River, either as an independent entity or in association with Jordan. Those familiar with Mr. Carter's thinking suggest that discussion of his ideas about the Palestinians will await his talks in the next two months with Arab leaders.

U.S. officials discussed the possibility of leasing arrangements with Middle Eastern parties before the 1973 war without arousing much interest. Joint Egyptian-Israeli-United Nations patrols were part of the 1948 armistice agreement and mixed patrols actually functioned periodically until the 1967 war.

The Egyptian-Israeli joint commission set up by the recent Sinai agreement was thought of by U.S. officials as a step toward the eventual renewal of joint patrols.

## UN Opens World Conference On Scarcity of Fresh Water

(Continued from Page 1)

making it worse. Agriculture now accounts for 80 per cent of the world's freshwater use and it takes 1,000 tons of water to grow a ton of grain. But industrial water use is more than agricultural and household use together in some developed areas. Processing, cleaning, steam heating and cooling are "contributing to the progressive and chronic degradation of the quality of available water," Mr. Mageed said.

More than a third of the 200-plus study papers ready as the conference opens are on some aspect of planning and research to deal with these problems. China turns out to be an expert on small dams and canals,

while India speaks authoritatively on irrigation.

Similarly, only 18 per cent of the world's cultivated land is irrigated, according to the documents, but it produces 40 to 50 per cent of all the world's food. "The solution to it all seems to lie not in exotic production methods, which are still too expensive, but in expansion of traditional means," Mr. Mageed said.

Four preparatory conferences have arrived already at a basic list of priorities that the plenary gathering will flesh out.

Water for people and food is first, with planning integrated into overall economic strategies at the international, national and local levels a close second. International sharing of water and technical capabilities related to it are essential, the UN papers agree, and pricing is a generally accepted tool for equitable distribution.

## PLO Lists Conditions

(Continued from Page 1)

establishment of a fully independent Palestinian state, Mr. Labady said. He added that they stipulated that this state should be able to assure its protection by its own forces.

The mayors called for the immediate withdrawal of Israeli forces from the West Bank and Gaza, Mr. Labady said. This is a basic Palestinian request.

Mr. Kaddoumi, in the report to the council, warned that the Palestinian issue could not be discussed without the Palestinians. This, he said, was the reply to President Hafez al-Assad of Syria, who some time ago had suggested that the Arab governments would go to Geneva without the PLO if necessary.

The general tone of the leadership's report was described by several delegates as "tough."

The mood of the session, now in its third day, has been colored by anger over a press conference statement in which President Carter last week suggested that Israel should have secure defense lines that might be different from its legal borders.

Mr. Carter's statement has provoked a rash of critical statements by political figures and official newspapers throughout the Arab world.

There will be some discussion of new water technology and Argentina is giving an exhibition on that after the conference in Buenos Aires. Long-distance transmission by pipeline and expansion control, cloud seed-tankers, desalination techniques, and even the fanciful towing of icebergs will be considered.

But fully 98.5 per cent of the tiny amount of fresh water available to man is in the ground, and half of that is within half a mile of the surface. "That's where serious study ought to be focused," Mr. Mageed said. "We must also look to the day when the transport of water between neighboring states will be a common occurrence."

## Students in Turkey Continue to Battle

ISTANBUL, March 14 (AP).—Rival youth groups clashed violently and blasted wrecked a hostel and two apartments in different cities as student violence continued unabated in Turkey today.

More than 20 persons were killed so far this year in battles between rival student extremists both at the university and high schools. Rightist and leftist factions are fighting for control of student bodies.

## But Cautions About Russia

## Djilas Praises Carter's Line In Supporting Human Rights

By Michael Getler

BELGRADE, March 14 (UPI).—President Carter's outspokenness on behalf of human rights around the world has had "a great, positive echo in the countries of Eastern Europe," according to Milovan Djilas.

One of the post-war leaders of the Yugoslav Communist party, Mr. Djilas has, for more than 20 years now, also been its most well-known and outspoken critic.

"Everybody in Eastern Europe knows about what the new American administration has been saying," Mr. Djilas said in his Belgrade apartment.

"It is something like the beginning of America acting once again like her traditions. Carter cannot change the situation in Eastern Europe but, maybe, he can influence governments to be more careful, more respectful of laws," he said.

Yet Mr. Djilas also asserted that Mr. Carter must proceed with the utmost caution, warning that attacking the Soviet system head-on is futile and that the Soviet Union also cannot be "blackmailed" into concessions on human rights through trade restrictions such as those championed by Sen. Henry Jackson, D-Wash.

"The Carter approach thus far is right and should be continued. But that doesn't mean he should quarrel with (Leonid) Brezhnev," the Soviet party leader.

Looking back, Mr. Djilas said he thought former U.S. Secretary of State Henry Kissinger "was a very intelligent and witty statesman. But the weakness of his foreign policy was that it was without principles and ideals. Great powers usually deal without ideals," Mr. Djilas went on, "but it is better to have some combination of pragmatism and ideology."

"What is good in Carter's policy is that he is not only insisting on human rights in Communist-ruled countries, but everywhere in Brazil and in Rhodesia."

**Pragmatism Assailed**  
"What I am afraid of, if anything, is that American pragmatism, in the form of the multinational corporations, will not follow Carter's ideals. Profits are important but in our time there is more to survival."

Mr. Djilas, once a president of the Yugoslav Parliament and confidant of President Tito until 1954, will be 68 in June.

He has been a political dissident here for 23 years. He spent nine years as a political prisoner largely because of his books.

Last week Mr. Djilas said he received the first threat to his life and his wife's in the form of an anonymous letter. Mr. Djilas believes it was probably from the police and does not think it is a serious threat, but is symptomatic of the atmosphere here.

The letter arrived after Mr. Djilas told newsmen that in his opinion Yugoslavia is holding at least 600 political prisoners in jail, proportionally comparable with the number in Russia.

Although the Belgrade government is used to criticism by Mr. Djilas, the prisoner allegations stung for several reasons. The Communist government here dislikes being compared in any way—but especially in terms of human rights—with the Soviet Union.

Belgrade prides itself as being the most open of any East European society.

Mr. Djilas's comments were made as the Yugoslavs are preparing for the 35-nation Belgrade conference, which will begin June 15 and which is meant to review progress made since the Helsinki Agreement on European security and cooperation was signed in July, 1975.

In fact, Yugoslavia is the most open Communist society in the East. The stores here are full of Western goods. Western movies, newspapers and magazines are readily available, although some issues are occasionally banned. Hundreds of thousands of Yugoslavs work in Western countries, bringing back money and ideas. About 5 million persons hold passports.

Mr. Djilas acknowledges all that but calls it "the tourist view" of his country.

In many ways, Yugoslavia is very different from the Soviet Union. But when it comes to persecution of political opposition, especially in the last several years, I don't see any difference," he said.

The truth of what Mr. Djilas said is reflected by government officials who privately confirmed the likelihood of an amnesty for an unspecified number of prisoners sometime before the June 15 conference and perhaps before President Tito's 85th birthday May 25.

### Petition Denounced

BELGRADE, March 14 (AP).—Yugoslavia today denounced the petition of 80 intellectuals for a

revision of the law on press as an attempt to discredit country as the host of the 1978 follow-up conference.

The petition, addressed to Constitutional Court, challenges the law which gives the State's discretion in rejecting an application for a passport or giving visas that are not mentioned in the Constitution.

A government spokesman said the petition was part of a "campaign designed to pressure on Yugoslavia to credit it as the host of the peace Security Conference."



Laurence Silberman

## U.S. Ex-Envoy Assails Policy On Yugoslavia

WASHINGTON, March 14 (UPI).—Yugoslavia wants "maximum feasible damage" America but the United States tolerates the attacks, says a former ambassador.

Laurence Silberman, a spokesman who resigned as ambassador to Belgrade just before the Carter administration took office, said the policy was "a disgrace."

Mr. Silberman was a central controversy as ambassador. He accused the State Department of undercutting him in his talks with the Yugoslavs.

In a forthcoming issue of Foreign Policy magazine, he says, "the United States is finding itself being resolute, unyielding, Yugoslav negotiators and a furthering of the policy that has lost all of the relative interests involved."

He said U.S. policy toward Yugoslavia is based on two premises:

• "Our only important aim is to sustain Yugoslavia's dependence from the Soviet Union."

• "We insist that independent by providing bilateral support the Yugoslav government will any thought of getting something in return."

Mr. Silberman, who was named by President Richard Nixon as ambassador to Yugoslavia, writes of "the national prestige issues party" his ambassadorial duties. He said he was "round handling" the United States' policy toward Yugoslavia.

"We treat Yugoslavia as a friend but the Yugoslavs see it as a threat to their independence. They are the most important impediment to the changes they seek, and they are accordingly."

Mr. Silberman said the United States tolerates Yugoslav attacks because "we romantically scribe Yugoslav 'socialism' and treat it as a human issue of the Yugoslav socialism," he added, "because we are so afraid of the harshness of Soviet repression that we usually 'ignore' it. Because Yugoslavs sometimes oppose Russians in public forums."

**Third World Power**  
They do this "not for benefit, but to maintain aligned unity" by which Yugoslavia gains power in the Third World. This means Yugoslavia will seek a solution that is grossly "offensive" rather than "outrageous," he said.

On matters such as human rights or Zionism, Mr. Silberman wrote, "one finds the Yugoslav playing an ambiguous role, normally calculated to inflict maximum feasible damage to our position because regard the United States as a major obstacle to their desired world change."

## Bonn Protests Barring Of Visitors to Leipzig

BERLIN, March 14 (Reuters).—West Germany today protested to the East German government about the refusal to allow more than 130 West Germans to enter East Germany during the weekend to attend the Leipzig spring trade fair.

West German border police said that most of those turned back at the frontier had either legally emigrated from East Germany earlier or had relatives who had applied to leave.

this evening at the hotel d'Orleans Tuesday March fifteenth at six o'clock  
GEOFFREY BEENE  
the distinguished American designer  
will present his collection for fall-winter 1977-78







JFK 6/12/72

## Braking Commodity Prices

The other day commodity dealers paid about \$2.13 a pound for cocoa. One year ago a pound cost 75 cents. In November, 1974, refiners frantically snapped up scarce raw sugar for 57 cents a pound. Today those refiners can buy all they want for 11 cents a pound.

Such wild price gyrations have become common in freely traded commodities, creating a climate of uncertainty among producing and consuming nations. For the United States, uncertainty is not a major problem: much as a consumer may hate to pay \$3.50 for a can of coffee, the impact of coffee prices on U.S. living standards is not great. The economy is so rich and diversified that it can take such ups and downs in stride.

But for less developed countries specializing in a single export, such as tin or rubber or coffee, price fluctuations can be devastating. Hard times may push the incomes of millions of laborers below subsistence. Good times bring relief, yet sow the seeds for future collapse as small producers rush to expand output. In addition, price fluctuations may make it impossible to attract needed foreign investment. Most banks and corporations are leery of staking the future on a roller coaster.

One answer to the problem is commodity price stabilization: long-term agreements between suppliers and consumers that allow both to plan for the future. The idea has long been advocated by the less-developed countries: agreements on tin and coffee exist today, at least on paper. But under the Ford administration, opposition from Treasury Secretary William Simon prevented active participation by the world's largest consumer, the United States. The Carter administration has now expressed a willingness to discuss the subject, though it has not yet taken a position, preferring to wait until the poor nations have made their case, in meetings this spring.

Ideally, commodity agreements stabilize prices through the use of production controls or stockpiles. By agreement, when prices fall because of abundant harvests or reduced demand, the producers either restrict output, or sell the excess to a stockpile maintained by the agreement partners. When prices rise, production quotas are suspended and "buffer stocks" are sold on world markets. The object is to reduce the annual swings in price.

William Simon vetoed price agreements as a matter of principle. A free marketeer,

Simon viewed any move away from unfettered competition as a step backward. Ideology aside, other critics have been skeptical that international agreements can survive divergent national interests.

Successful stabilization clearly requires substantial international cooperation. As noted, supplies can be controlled in one or two ways: national production quotas, or stockpiles controlled jointly by producer and consumer nations.

National production quotas, which can be imposed to prevent prices from falling rapidly, unfortunately create an incentive for suppliers to cheat by selling extra output under the table. Just this sort of chiseling has spoiled past coffee stabilization agreements.

Buffer stockpiles, on the other hand, are easily monitored. But they require a substantial initial cash investment, money which would almost certainly have to be supplied by the rich consumer nations. U.S. economists believe that for copper, for instance, a successful buffer against price fluctuations might require an outlay of \$7 billion to purchase and stockpile excess supplies. But the Third World's voice in these matters, the UN Conference on Trade and Development, is more optimistic, contending that a common fund of \$3 billion could sustain stocks for ten major commodities.

It is true that stabilization agreements have rarely worked well in the past; but then, they have rarely been proposed with the present sense of urgency. Thanks to OPEC's oil prices, the developing nations are in worse shape today than they've been in decades. Stabilization agreements could give them an important boost.

The Carter administration's current neutrality is born of conflicting motives. On the one hand, the United States has probably the smallest economic stake in commodity price stability and it would almost certainly have to finance the required stockpiles. On the other hand, Washington wants to help the poor nations. They have been living beyond their means for three years, running up huge fuel bills and paying for them with borrowed funds. Effective stabilization agreements for some commodities—cocoa, tin and rubber appear to be prime candidates—are clearly worth a try. As gesture and substance, U.S. cooperation on price stabilization is preferable to foreign-aid handouts.

THE NEW YORK TIMES.

## Pretoria Marches on Its Press

The present narrow, frightened government of South Africa seems determined to undermine what vestiges of free institutions remain in the country and to turn itself by degrees into a Soviet-style totalitarian state. The latest evidence of this disheartening trend lies in the "Press Code" that Prime Minister Vorster has just introduced in Parliament, which is controlled by the increasingly reactionary right wing of his Nationalist party. Long frustrated by the determination of the press to report and comment in the Western tradition, the government has finally decided that its policy of harassment must give way to outright suppression of free inquiry.

"Press Code": the words sound innocuous. The reality would be to put an immense amount of crude power over the media into the government's hands. The government would appoint a majority of the members to a press council, which would function as a kind of kangaroo court, imposing sanctions, including criminal sanctions, on owners, editors and journalists found guilty of violating the government's standards of journalistic responsibility. There could be no appeal of this council's decisions to the South African judiciary, which happens to be the society's one other outpost of freedom. Newspapers, for instance, would have to "exercise exceptional care and responsibility as to subjects that may cause enmity or give offense in racial, ethnic or cultural matters . . . matters that may detrimentally affect the safety of the state, the commonwealth, the peace and good order and the defense of the republic . . ." What self-respecting journalist could last a week stretched out on this sort of puritanical rack?

We note that not only the outspoken English-language press of South Africa and, of course, the courageous black press, but even the more conservative Afrikaans-language press are united, at least initially, in opposing this assault on their tradition and effectiveness. They deserve the support of all people concerned with free institutions and the struggle for racial justice in South Africa. For what is at stake here is not merely the condition of one institution. Announcement of the press code signals the government's readiness to turn a deaf ear to those South African voices crying out for change to preempt catastrophe. It means the practical end of the government's belief that, by maintaining itself in some aspects as a democratic society, it could present itself as fit for Western political and social company. It amounts to acceptance of confrontation at home and isolation abroad.

Jimmy Carter's arrival at the White House has newly sensitized the entire international community to the human rights question. He has made it clear that the United States will move its own policy closest to those nations that share its values. A substantial number of countries have altered their policy, at least in a token way, since he took office. Though the press-code proposal is not yet law, South Africa seems determined to go to the other way.

THE WASHINGTON POST.

## International Opinion

**Polish Campaign Against Bonn**  
The present campaign being waged against West Germany by the Polish press appears to be centrally concerned and deliberately designed to distract attention from current internal unpleasantnesses and supply bottle-necks. In the past, party secretary Gierek has rather opposed attempts to turn the guns of the ideologist propaganda machine

against Bonn, but this time he has obviously given his approval. Some of this may be due to the influence of the meeting of party ideologists that recently took place in Sofia. At all events, the result is that demonstrations hostile to the Federal Republic have been taking place in Poland for the first time since the Gomulka era.

—From the Neue Zürcher Zeitung (Zurich).

## In the International Edition

**Seventy-Five Years Ago**  
March 15, 1902  
PARIS—"The Socialists are haunted with a fixed idea, the struggle of the classes, in other words, the social revolution, that violent revolution, which appears to forget itself and abdicate the moment one of its leaders enters the government and, with a portfolio under his arm, conforms to the pacific and regular ways thereof. That is why the Socialists do not want one of their number to be a Minister," Le Figaro said today.

**Fifty Years Ago**  
March 15, 1927  
VIENNA—Mrs. Helen Grunitsch, president of the Welcome in Austria Club, seems to have scored with a recent lecture in which she decried the slender-line craze. "This fashion," she said, "does not agree with the constitution of the Viennese woman, whom nature has endowed with a roundish figure. What is good for the American girl is not necessarily good for the Austrian. The Austrian girls should give up diets and return to whipped cream and pastry."



## Democracy With a Passion

By Steven V. Roberts

**ATHENS**—There are three kinds of democracy in Europe: Anglo-Saxon, Scandinavian and Mediterranean. Premier Constantine Karamanlis said recently, "Of the three, the Mediterranean is the least disciplined and the most difficult to manage, largely because of the passionate nature of the Mediterranean personality. I detest passion in politics. Passion obscures issues and blinds citizens to the truth."

Considerable attention has been focused recently on Mediterranean democracy. Portugal, Spain, Greece and Turkey are all trying to solidify democratic regimes after varying periods of dictatorship, and all hope to enter the European Common Market eventually as a way of safeguarding those regimes. Madrid, for example, is holding its first elections since the rise of Franco this spring, and is trying to remove the causes of political violence by such moves as the amnesty for political prisoners announced last week. Ankara is considering early elections as a way of resolving the parliamentary stalemate that has hampered the government for more than three years. The Athens government under Mr. Karamanlis is the strongest of the four, while the Lisbon government under Premier Mario Soares is trying to rule without a majority in parliament. Even France and Italy have suffered periodic instability since World War II.

### Instability

What causes this legacy of instability in the "live republic" of southern Europe? What seems necessary to establish a functioning democracy? What are the drawbacks of democracy and what are its virtues?

With the exception of France and northern Italy, southern Europe really belongs to the developing world. In terms of industrialization or income, it ranks far below Northern Europe, although still ahead of the countries of Africa and Asia. The southerners also lack the political consistency of the northerners.

As Mr. Karamanlis noted, the first fact of political life in the region is the "passionate nature of the Mediterranean personality." It is easy to stereotype or oversimplify national traits, but anyone who has spent time in these countries knows what the Premier means. At Athens airport, the passport control has separate lines for Greeks and foreigners. The foreigners usually wait their turn, while the Greeks swarm around the counter, trying to push ahead. In Turkey, at least a dozen people are shot during every election. In Italy, driving a car often takes courage.

The second difficulty is economic. Passion in politics is often linked to poverty, and many southern Europeans today still must struggle for survival. A Greek-American woman tells about growing up in wartime Salonika, when food was scarce. One day her mother sent her out to buy tomatoes, and while she stood quietly in line, people pushed past her and bought all the fruit. Many Mediterraneans still worry that there will not be any tomatoes when they get to the front of the line.

### Historical Factor

The third factor is history. Southern Europeans simply do not have a recent tradition of ruling themselves, and many essential institutions—parliaments, the press, courts, constitutions—remain un-

derdeveloped. More deeply, democracy is still not completely accepted as a legitimate source of authority. Indeed, authority of any kind is usually suspect.

Most of Greece, for example, was ruled by the Ottoman Empire for 400 years and some islands did not escape Italian control until 30 years ago. The last century has been marked by long periods of war, occupation and tyranny. The result, noted one journalist, is that Greeks have developed an "anti-mentality. Since the law was always made and enforced by outsiders, the Greeks' aim was to avoid it, not obey it."

Given this background, the southern Europeans have made remarkable progress toward establishing democracy, and one quality seems essential—moderation. In Portugal, for instance, the left said the answer was revolution; in Spain, the right has tried to preserve Francoism. Most Iberians have rejected both concepts, at least for the time being.

### Right Balance

But finding the right balance is difficult. Greece is probably the best example of success, and Mr. Karamanlis has followed the model of his old friend, Charles de Gaulle. "A well-founded democracy," he has said, "like that of Austria or Switzerland, does not

require a strong personality to lead it. In Switzerland one does not even know the leaders' names. But when democracy is unstable, a strong personality is mandatory."

The Premier has been attacked from the left as a dictator and from the right as a Socialist, and both criticisms are partly correct. As Mr. Karamanlis phrased it, the mass must give up 30 per cent of its liberty and the elite must give up 30 per cent of its wealth in order to ensure order and tranquility.

Adolfo Suarez in Spain and Mario Soares in Portugal are trying to play similar roles. Turkey, on the other hand, has lacked a decisive leader since the elections 1973, and as a result, the economy has drifted, students have rioted and Cyprus has continued to fester.

But order is only the first step. As democracy spreads, demands start rising for more opportunity, more welfare, more dignity. When a ruling elite in a country such as Italy fails to yield power and make reforms, the extremes are strengthened and the moderates undermined. During the Italian election last year, a considerable number of voters yearned for the disciplined days of Fascism. Maybe, goes one argument heard in the area, only dictators in Athens and Ankara could resist criticism and settle the Cyprus dispute.

## Letters

### Rights Issue

It seems curious that the heads of government who are "concerned" at President Carter's stand on human rights have such short memories.

If more had been concerned with this issue during the 1950s, Hitler, for one, might not have felt free to use his "Final Solution." Is it still a case of "I'm all right Jack"?

ADELAIDE NYGAARD, Roverud, Norway.

### NATO Tank Dispute

John Finney's report from Washington of how the U.S. military have undercut U.S.-West German cooperation on the use of a common heavy tank points up a grave defect ignored by both the left and conservatives: a faulty professional integrity among the U.S. Army leadership.

This fault contributed to the U.S. defeat in Indochina where the political decision to fight with one hand tied behind our back was complemented by softness among the military. Speaking of the early days of the war, a senior U.S. Army officer recently told me, "I knew what the outcome would be when I saw all those air conditioning units arrive."

tary and industry might be passed over but surely not when it is glaringly at work to vitiate the most important and urgent business of NATO which is the standardization of the Alliance's weaponry and its political and economic strengthening. . . . T. HAYES DE SCHEFFERT, Paris.

### The Traube Case

John Dornberg's article on the "Traube Affair" (Herald, Mar. 8) is a good example of a prominent misconception in our democratic world. It is the idea that the personal liberties which we do cherish, could ever be absolute. If ever there was a case that demanded extraordinary surveillance it was this one.

Dornberg asserts that [nuclear physicist] Klaus Traube was "erroneously linked to anarchist and terrorist circles." In the next breath he states that Traube knew Hans-Joachim Klein who participated in the OPEC kidnapping and Wilfried Böse, a participant in the Enckebe hijacking. Acquaintance is a link. It was for the government to try to discover the nature of the link.

## Now for the Hard Part U.K. View of Détente

By David Owen

**LONDON**—No one with a grain of sense would deny the basic proposition that as a result of the détente process—a process that began almost 25 years ago and to which successive American presidents and leading statesmen in all parts of Europe have contributed—East-West relations are more stable and the world safer. The quantity of nuclear weapons on both sides has regrettably increased in this period. But there has been a qualitative improvement in the way in which East and West seek to manage the mutual threat presented by each other's nuclear arsenals.

It is most crucially reflected in the relationship between the United States and the Soviet Union. I suspect that few people realize that between 1971 and 1974 something like 25 bilateral agreements were signed between the United States and the Soviet Union, all contributing in a variety of ways to the development of a more stable relationship. The central achievement has been the willingness of the United States and the Soviet Union to engage in talks on strategic arms limitation—to exchange views and data, and to try and reach agreement in areas of the most advanced military technology. As a result there is today less risk of misunderstanding, less risk of military confrontation and therefore less risk of nuclear catastrophe.

### Commitment

Britain's commitment to détente and the search for a more constructive relationship with the Soviet Union and Eastern Europe is as firm today as it was on the eve of the Helsinki Conference in 1975. But over the past 18 months a widespread feeling has developed in the West that too little has changed for the better and that some important things may even have changed for the worse.

No objective observer can deny that the Warsaw Pact continues to increase the effectiveness of its armed forces—on land, sea and air—and that this process has gathered momentum in the period of détente. Many rightly ask what all this military effort is for. Many also rightly ask whatever happened to the seventh principle of the Helsinki final act, pledging signatory states to uphold human rights and fundamental freedoms. What has happened to the commitment to the free exchange of peoples and ideas, into which the 35 states who signed the final act have entered, and which remains more an aspiration than a reality?

As a result public opinion in the West has tended to display an increasing skepticism both toward the final act and by extension toward the process of détente itself. But it is equally true that some of this skepticism and disappointment has been misdirected, and that expectations have outstripped by far the limits of what détente could have reasonably delivered.

For while détente has substantial achievements to its credit, the process started from a low threshold and represents to date only a limited, though vitally important, accommodation in Europe and between the superpowers. We are witnessing the early stages of this process, not its culmination. Détente has solved some of the most urgent and obvious problems in East-West relations and it has established a basic framework for the solution of those that remain. But there is still a long way to go.

### Blunt Truth

The blunt truth is that the first and easiest stage of détente is over. The issues that are today on the agenda of East-West relations are more complex, more contentious and far more intractable. We are beginning to encounter fundamental attitudes, on human behavior, and the issues go to the heart of each side's perception of itself and its interests. Inevitably we cannot expect to maintain the momentum of the early 1970s.

This makes it all the more important that we should be realistic on the agenda of the new cold war, and was never intended to stop the Soviet Union from being a world power, still less to convert the Russians and their allies from Communism. Already in the last century it was clear that it was only a matter of time before a country of the size, population and resources of Russia emerged as a global power. Any idea that détente could or should

have reversed this process is absurd. The basic premise from which we in the West must start is that the Soviet Union is a world power with national interests and ambitions to match, which inevitably bring it into competition, and sometimes confrontation, with the West. To this we must add that Communist ideology invests the natural rivalry between East and West with a dynamic of unceasing struggle.

Increasingly, as we have devised mechanisms for reducing military tension, this struggle has become one for the minds of men. As Prime Minister Callaghan has said, there is no armistice in the war of ideas. But this is a struggle from which we have no reason to shrink. Why else do we permit a free flow of information and ideas in both directions? We are confident that our model of society is better adapted to satisfy human aspirations, both intellectual and material. True, we in the West have our problems. But they are of a complexity and sophistication that Communist societies are only just beginning to encounter. Above all, Western society thrives on the intellectual ferment and the unfettered expression of human creativity in all its forms.

### Delusions

So, sweeping away the unreal expectations and delusions of recent years, we see that détente so far has to be placed in the context of a relationship in which competition between the two systems exists side-by-side with the search for common ground. The scope for cooperation between East and West is limited by this competition. Some ask whether it is worth our while to try to expand the limits.

The answer must be emphatically "yes"—the present relationship is essentially unstable. It still carries the risk of miscalculation and disaster. We have to reduce this risk even further.

But, as we try to open up the frontiers of East-West understanding, the Jekyll and Hyde nature of détente—competition on the one hand, cooperation on the other—will constantly assert itself. This is not something which we should try to sweep under the carpet. Both sides have everything to gain from frankly and openly facing up to the consequences of their differing perceptions of détente. In the last analysis this offers East and West the best long-term hope of progressively reducing the area of confrontation between them, and of progressively increasing the area of common ground. It would be folly indeed for one side to make the process of détente so distasteful to the other that it would prefer to opt out altogether. The golden rule must be that neither side should pursue policies that so raise the level of confrontation that the structure of détente is itself threatened.

### Complex Process

This is, of course, easier said than done. Détente is an immensely complex process, comprising innumerable strands and relationships on different levels: political dialogue, commercial and technological exchange, cultural contacts, ideological debate and military vigilance. There is no magic formula that will enable us, East or West, to strike the right balance in our relations at all times. Both sides are still feeling their way. All we can say is that balance there must be between the elements of confrontation and cooperation, whether we are talking of the détente process as a whole or of its constituent parts.

Mr. Owen, the new British foreign secretary, is the youngest man (at 38) to hold that job since Anthony Eden. This article is excerpted by The Washington Post from Mr. Owen's first major speech as foreign secretary.

The International Herald Tribune welcomes letters from readers. Short letters have a better chance of being published. All letters are subject to condensation for space reasons. Anonymous letters will not be considered for publication. Writers may request that their letters be signed only with initials but preference will be given to those fully signed and bearing the writer's complete address.











## U.S. Says Energy Use Up by 4.8% in 1976

WASHINGTON, March 14 (AP)—Energy use in the United States rose last year by 4.8 percent, the Energy Department said today.

The report, which is preliminary, indicates that "conservation efforts, especially in the industrial sector, prevented an even higher growth rate," Interior Secretary Cecil Andrus said.

He reported that energy use last year rose for all fossil fuels (oil, natural gas, coal) and in all major consuming sectors of the economy, mainly because of increased economic activity and the colder weather. Hydropower output declined because of drought in the West, it was reported.

## Oil Seen Lining by 3 Per Cent

WASHINGTON, March 14 (AP)—Britain's inflation and oil-related problems, the active Hanley Center for forecasting, said today, may lead to a fall in the value of the pound in 1977. Last year's average value of sterling was 173 pence.

The latest monthly forecasts, issued over the weekend, the center said it is raising its estimate of the increase in prices this year due to import costs working their way into the economy more than had been expected.

The center forecast an increase of 14.9 percent in Britain's price index this year, only below the 15.6 percent in 1976.

The center said it is "convinced that the government's policy of devaluation is not, as politically argued, a groundswell of dissatisfaction with the present wages and salaries will rise during the second half of the year."

The government's inflation target is 6 percent in the second half of the year.

## Bank Says Money Supply Is On Target

NEW YORK, March 14 (AP)—The Federal Reserve Bank said today that the money supply is on target for the second half of the year.

The bank said the money supply rose 6.5 percent in the first half of the year, compared with 7.3 percent in the first half of 1976.

The bank said it expects the money supply to rise 6.5 percent in the second half of the year.

## Ex-Pennsy Aides Are Acquitted

PHILADELPHIA, March 14 (AP)—A federal judge has acquitted two former Penn Central Transportation Co. officials accused of conspiring to defraud the non-defunct railroad operation.

David Bevan, 70 years old, and William Gerstenecker, 64, had been charged with moving the funds in 1969 to a corporation in Europe controlled by the late German financier Fidel Gutz.

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## New Share Price Seen a Base IBM Tender Proves Money Talks

NEW YORK, March 14 (AP)—The IBM shopping spree in the stock market has left its shareholders about \$3 billion richer than they were on Feb. 22, an amount that should make them reasonably happy.

This is but one consequence of the decision by the big computer maker to invest in itself—an "attractive investment," it said at the time—while some analysts were suggesting it might be overpriced. There are many other consequences, too, and lessons to be learned also, the most obvious being the old lesson that money talks.

IBM had more than \$6 billion of liquid funds, \$1.54 billion of them available to buy its stock. At the time it made its decision to buy up to \$5.5 billion of its shares at \$220 a share, there was said to be a large overhang of stock for sale. The word around Wall Street was that many of the big institutions, the mutual and pension funds among them, felt they owned too much of IBM. They wanted to sell, it was said.

At any rate, the shares of International Business Machines seemed to have stalled in the \$220 area. When the price edged a bit higher, sellers would appear, and down it would go again. With all the cash available, and believing that its shares not only were worth \$270 but a lot more, the company made its offer of \$220 a share for up to 5.5 million shares. It would eliminate the overhang.

The results were a bit surprising. Almost immediately some of the portfolio managers who had been bearish became less certain of their identity. Soon they were pawing the ground; they had become bulls. If IBM is willing to

## Carter Plans It for Government

## U.S. Firms Adopt New Budgeting System

NEW YORK, March 14 (AP)—Major U.S. companies are increasingly adopting zero-based budgeting, a system that requires the managers of an enterprise to justify everything they are doing or are about to do.

Instead of just setting forth proposed budget increases, the managers must start from scratch

each year and present alternatives involving any increases or decreases in their departments' activities.

The number of major companies using zero budgeting "probably runs into the hundreds," says James Kelley, president of Management Analysis Center, a Cambridge, Massachusetts, consulting firm that has helped more than 40 companies install the system.

Companies that have used zero-based budgeting include Westinghouse Electric Corp., Xerox Corp., and Allied Van Lines. Corporate interest in the system has grown so fast that the American Management Association, a business-education organization based in New York, has run nine seminars on the subject in the past year and a half.

Zero-based budgeting began evolving about 15 years ago at the large Dallas-based firm of Texas Instruments Inc., with the development of the company's Objectives - Strategies - Tactics (OST) system for evaluating research and development projects.

Detailed Planning

To decide whether to go ahead with a specific project, the company found it necessary to spell out a description of the activity, the consequences of failing to go ahead with it, alternative courses of action, and the estimated costs and benefits. All of this eventually went into a "decision package."

Once the decision packages were developed, the next need was obvious: to develop criteria for ranking the packages and thus deciding which research and development programs to go ahead with, and on what scale.

## Japan GNP Rise Seen Off to 5.1% Without Stimulus

TOKYO, March 14 (Reuters)—Japan's real growth in gross national product will decline to 5.1 percent in fiscal 1977 from an estimated 5.6 percent this year unless the government adopts bold new economy-boosting measures, the Japan Economic Research Center predicted today.

The government's official growth target for fiscal 1977, which will start next month, is 6.7 percent, up from this year's goal of 5.7 percent.

The private research body said that the 6.7-per-cent goal would require an extra income-tax cut of 1 trillion yen (\$8.6 billion) on top of the 653-billion-yen reduction agreed on by the ruling Liberal Democrats and the opposition parties.

There would also have to be an increase in planned public works spending and a further cut in the bank rate, lowered last week to 6 percent from 6.5 percent, the center said.

It said the government's measures so far, coupled with increased exports, will temporarily increase Japan's economic recovery, but the effects will wear off during the second half of fiscal 1977, leading to a further pause in the economic recovery.

## Dutch Bankruptcy Rate

THE HAGUE, March 14 (AP)—The number of bankruptcies in the Netherlands in 1976 reached a total of 3,387, compared with 3,268 in the previous year, the Central Statistics Office announced.

buy at \$280, they reasoned, then it must believe that the price of its shares is going to rise, perhaps to \$300 or more. And who should know better than IBM, which has that prized commodity, inside information?

The shares, which began rising immediately after the release of the news, approached and even exceeded the \$280 mark when the tender offer was scheduled to expire on March 8. Then IBM extended the offer two more days.

The reason, presumably, was that the company expected to attract a few more shares because of the extension. But analysts who examined the number of shares tendered, only slightly over 2 million, drew other conclusions.

There is no overhang, they reasoned. All those portfolio managers who were rumored to be ready to sell simply did not do so. They held, and if they held, they too must expect better IBM share prices later on.

When the extension ended, the company still had topped up only 2,648,000 shares, far short of its minimum goal of at least 4 million shares, and less than one-half the 5.5 million it reserved the right to buy. With the offer closed, shares continued to rise, reaching \$284.50 at the completion of trading Thursday. They fell a bit on Friday, finishing the week at \$283.25.

In the thinking of many analysts, \$280 is now the base for IBM shares. Rather than this being an upper limit, a sell price, as many investors seemed to think a few weeks ago, it is now felt to be an area of support, a price at which to buy.

This is not to say it will remain that, because market psychology is ever changing. But at about \$2 billion more than on Feb. 22, IBM shares look a lot healthier and promising. Remarkable what money can accomplish.

## U.S. Unit Urges TV Import Tariff

WASHINGTON, March 14 (AP)—The U.S. International Trade Commission today recommended imposing a 25-per-cent tariff on imported color and black-and-white television sets—which would add an average of \$56 to the price of foreign-made color sets.

As drafted by the commission, the tariff would total 25 per cent for the first two years, 20 per cent for the next two years, and 15 per cent in the fifth year. The duty on imported television sets is 5 per cent.

The commission made its recommendation to President Carter, who has 60 days from the time of the formal report of its findings in which to either accept, reject or modify the proposal.

If he takes no action, the recommendation goes into effect automatically. If he rejects the recommendation outright, Congress can override him by a majority vote, putting the recommendation into effect.

The commission also recommended that Mr. Carter limit sugar imports. The sugar quotas would limit imports of sugar to 4.75 million tons annually for a five-year period. Sugar imports last year totaled about 4.7 million tons.

A group of sugar refiners opposed to the quotas contend that an annual quota of 4.2 million tons would "leave the potential" to increase the annual retail price of refined sugar by at least \$16 for each U.S. family, with a total impact on the economy of more than \$1 billion.

The effort to restrict sugar and television set imports are the latest incidents in a growing attempt by U.S. industry and labor unions to protect their markets and jobs from imports. Mr. Carter is already considering a Trade Commission recommendation to impose a tariff-quota on imported shoes at a cost to consumers of about \$200 million a year. And the commission is also considering

ing a plea for protection from sugar imports.

The petition on the television sets was filed with the commission by five domestic manufacturers and 11 unions. They complained that 19,000 people have already lost their jobs to imports and said another 65,000 jobs are threatened.

They said that the proportion of the 8 million or so color television sets sold in the United States and imported from Japan, Taiwan and other countries has jumped from 18 per cent in 1975 to about 40 per cent now.

The foreign manufacturers account for 75 per cent of the 10 million or so black-and-white sets sold in the United States.

The vote by the commission on the color tariff was 5 to 1, with commissioner Italo Ablondi proposing that the number of foreign color sets permitted to be imported be set at 1.3 million.

## Wall St. Prices Rise Sharply On Rally in Quality Issues

NEW YORK, March 14 (AP)—A late rally in top quality issues sent stock prices sharply higher today in stepped up trading on the New York Stock Exchange.

Treasury Secretary Michael Blumenthal predicted yesterday a strong second-quarter rebound in industrial production, employment and other major indicators, and that helped move the market, analysts said.

Analysts cautioned, however, that another market pullback could be in store later this week when the government reports on the February consumer price index, which is expected to show the full effects of the bad weather.

But they said investors in general take a more optimistic view of the economic outlook.

"All we need now is some more volume," said John Smith of Fehnstock & Co.

The Dow Jones industrial average was ahead 10.44 points to 558.36. It was up 8.56 at 3 o'clock.

Advancing issues outpaced decliners by about 850 to about 540, and volume totaled 18.29 million shares, compared with 18.23 million Friday.

Chemicals were among the leaders of today's advance, with Du Pont rising 1 1/4 to 132, Dow Chemical 1 1/2 to 39 1/2 and Union Carbide 1 3/8 to 60 3/8.

A vote by the U.S. International Trade Commission to increase import duties on color television sets helped RCA Corp., the most actively traded issue. The company's stock rose 5/8 to 29 1/2 while Zenith was up 1 1/8 at 36 1/4. Motorola rose 1 1/8 at 47 1/2.

Also on the winning side were IBM, 1 1/4 at 284, and Bestman Kodak up 1 1/8 to 73 1/4.

**Schering Dividend Plans**

BERLIN, March 14 (Reuters)—Schering AG proposes an unchanged 10-mark dividend for 1976, and expects satisfactory results for 1977, a company letter to shareholders said.

**Troubled Loans Declined in 1976, Chase Discloses**

NEW YORK, March 14 (AP)—Chase Manhattan Corp.'s troubled loans fell to \$1.7 billion at the end of last year from almost \$1.9 billion a year earlier, the company disclosed in its annual report.

Troubled loans—or nonperforming loans, as Chase refers to them—include those on which interest payments are not being accrued or are being received at rates below the level originally called for.

Chase, whose chief subsidiary is Chase Manhattan Bank, said nonaccrual loans amounted to less than \$1.4 billion at the end of last year after hitting a high of \$1.9 billion last July 31. At the end of 1975, such loans amounted to \$1.6 billion.

Reduced-rate loans, however, rose to \$225 million at the year end from \$244 million a year earlier, chiefly as a result of an increase in renegotiated loans to real estate investment trusts.

Total credit loans, including nonperforming ones, declined to \$549 million from \$721 million at the end of 1975. About \$69 million of the reduction represented payments of principal. An added \$61 million was written off as losses, while \$53 million of the loans were satisfied through asset swaps.

## NEW ISSUE

All these bonds having been sold, this announcement appears as a matter of record only.

March 15, 1977

# BANQUE LOUIS-DREYFUS

20,000,000 United States Dollars  
Floating Rate Notes due 1983

CRÉDIT COMMERCIAL DE FRANCE

BANQUE NATIONALE DE PARIS

CITICORP INTERNATIONAL GROUP

KREDIETBANK S.A. LUXEMBOURGEOISE

ORION BANK LIMITED

UNION DE BANQUES ARABES ET FRANÇAISES - U.B.A.F.

BANQUE LOUIS-DREYFUS

ALBANK BANK OF KUWAIT (S.C.)	ALGERIAN BANK (S.C.)	A. E. AMES & CO.	AMEX BANK	AMSTERDAM-ROTTERDAM BANK N.V.
THE ARAB AND MORGAN GRENELL FINANCE COMPANY	ALGERIAN BANK (S.C.)	BACHE HALSLEY STUART INC.	AMEX BANK	BANCA COMMERCIALE ITALIANA
BANK OF AMERICA INTERNATIONAL	BANK FOR GERMANY (S.C.)	BANK GUTZWILLER KUNZ BUNSEN (OVERSEAS)	AMEX BANK	BANQUE DE L'INDOCHINE ET DE SUEZ
BANQUE BRUXELLES LAMBERT S.A.	BANQUE FRANÇAISE DU COMMERCE EXTÉRIEUR	BANQUE DE NEUFLE, SCHLUBERGER, MALLET	AMEX BANK	BANQUE DE PARIS ET DES PAYS-BAS
BANQUE INTERNATIONALE A LUXEMBOURG S.A.	BANQUE DE L'UNION EUROPÉENNE	BANQUE WORMS	AMEX BANK	BAVARIENSCHE VEREINSBANK
BANQUE ROTHSCHILD	CASSA CENTRALE DES BANCHE POPOLARI	CREDIT LYONNAIS	AMEX BANK	CREDIT DU NORD
BERLINER HANDELS- UND FRANKFURTER BANK	CREDIT INDUSTRIEL ET COMMERCIAL	CREDIT LYONNAIS	AMEX BANK	EUROPEAN BANKING COMPANY
CREDIT-ETAT-BANQUE	DRESNER BANK	DREXEL BURNHAM & CO.	AMEX BANK	ANTONY GIBBS HOLDINGS LTD.
CREDIT SUISSE WHITE WELD	ERSTE BOSTON (G.D.F.)	ERSTE BOSTON (G.D.F.)	AMEX BANK	INTERBANK-BANQUE
FINACOR	ERSTE BOSTON (G.D.F.)	ERSTE BOSTON (G.D.F.)	AMEX BANK	KUWAIT INTERNATIONAL INVESTMENT CO. S.A.C.
GIOCENTRALE UND BANK DER USTERREICHISCHEN SPARKASSEN	KREDBANK N.V.	KUWAIT INTERNATIONAL INVESTMENT CO. S.A.C.	AMEX BANK	LONDON MULTINATIONAL BANK (UNDERWRITERS)
ISTITUTO BANCARIO SAN PAOLO DI TORINO	KREDBANK N.V.	KUWAIT INTERNATIONAL INVESTMENT CO. S.A.C.	AMEX BANK	THE NIOCO (LUXEMBOURG) S.A.
LAZARD BROTHERS & CO.	LAZARD FRERES ET CIE	LYONS BANK INTERNATIONAL	AMEX BANK	SALOMON BROTHERS INTERNATIONAL
MANUFACTURERS HANOVER	MEDEL LYNCH INTERNATIONAL & CO.	MEDEL LYNCH INTERNATIONAL & CO.	AMEX BANK	SOCIETE GENERALE
NOMURA EUROPE N.V.	PETERSEN & CO.	PETERSEN & CO.	AMEX BANK	SOCIETE GENERALE
J. HENRI SCHROEDER WAGG & CO.	SCANDINAVIAN BANKING CORPORATION	SCANDINAVIAN BANKING CORPORATION	AMEX BANK	SOCIETE GENERALE
SOCIETE GENERALE DE BANQUE S.A.	SCANDINAVIAN BANKING CORPORATION	SCANDINAVIAN BANKING CORPORATION	AMEX BANK	SOCIETE GENERALE
VERBODEN-UND WESTBANK	SCANDINAVIAN BANKING CORPORATION	SCANDINAVIAN BANKING CORPORATION	AMEX BANK	SOCIETE GENERALE
VERBODEN-UND WESTBANK	SCANDINAVIAN BANKING CORPORATION	SCANDINAVIAN BANKING CORPORATION	AMEX BANK	SOCIETE GENERALE







مكتبة من الأعمال

## European Gold Markets

	March 14, 1977		
	Open	Close	N.C.
London	145.65	145.75	-0.10

Zurich	146.125	145.875	-0.
Paris (72.5 kilo)	146.62	147.18	+0.
U.S. dollars per ounce.			

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## Gold Options

(prices in S/oz.)		
Basis	May	Aug.

140	2.50	11.25
145	3.75	2.50

750	-	5.25
<b>Valencia White Wold S A</b>		

1, Quai du Mont-Blanc  
1211 GENEVE 1, Switzerland

**Tel. 32 01 23 - Telex 27 479**

### ADVERTISEMENT

**SONY CORPORATION**

(CDEs)  
The undersigned announces that

as from March 21, 1977, at Kas-  
Associatie N.V., Spuistraat 172.

Amsterdam, div. cp. No. 17 (ac-  
companied by an "Affidavit") of  
the CPB, Foreign Committee

each repr. 20 shs., will be payable with Divs. 1-87 pct (div. per rec.

ord-date 10.31.76; gross. Yen 12.50  
p.sh.) after deduction of 15%

Japanese tax = Yen 37.50 =  
Dfls. 0.33 per CDR.  
Without an affidavit 30% Jan

tax (= Yen 50 = Dfls. 0.44) will be deducted.

After 5.31.77 the div. will only be paid under deduction of 20% Jap. tax with 20% not in excess.

tax with Div. L-16 net, in accordance with the Japanese tax regulations.

**AMSTERDAM DEPOSITARY  
COMPANY N.V.**

Amsterdam, 10th March, 1977.

### ADVERTISEMENT

**MARUBENI CORPORATION**

(CDRs)

The undesignated announcees that

The undersigned announces that  
as from March 21, 1977, at Kas-  
Associatie N.V., Spuistraat 172.

Amsterdam, div. ep. No. 5 (accompanied by an "Affidavit") of the

each repr. 150 shs., will be payable with Dfls. 2.93 net (dis. per

record-date 9.30.76; gross Yen 3  
p.sh.) after deduction of 15%

Japanese tax = Yen 67.50 =  
Dfls. 0.60 per CDR.  
Without an Affidavit 20% Jan.

tax (= Yen 90 = Dfls. 0.79) will be deducted

After 430.77 the div. will only be paid under deduction of 20% Jap. tax with CDS 271 net to ac.

accordance with the Japanese tax regulations.

AMSTERDAM DEPOSITORY  
COMPANY N.V.

Amsterdam, 10th March. 1977.

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1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2109, 2110, 2111, 2112, 2113, 2114, 2115, 2116, 2117, 2118, 2119, 2120, 2121, 2122, 2123, 2124, 2125, 2126, 2127, 2128, 2129, 2130, 2131, 2132, 2133, 2134, 2135, 2136, 2137, 2138, 2139, 2140, 2141, 2142, 2143, 2144, 2145, 2146, 2147, 2148, 2149, 2150, 2151, 2152, 2153, 2154, 2155, 2156, 2157, 2158, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 2166, 2167, 2168, 2169, 2170, 2171, 2172, 2173, 2174, 2175, 2176, 2177, 2178, 2179, 2180, 2181, 2182, 2183, 2184, 2185, 2186, 2187, 2188, 2189, 2190, 2191, 2192, 2193, 2194, 2195, 2196, 2197, 2198, 2199, 2200, 2201, 2202, 2203, 2204, 2205, 2206, 2207, 2208, 2209, 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2217, 2218, 2219, 2220, 2221, 2222, 2223, 2224, 2225, 2226, 2227, 2228, 2229, 2230, 2231, 2232, 2233, 2234, 2235, 2236, 2237, 2238, 2239, 2240, 2241, 2242, 2243, 2244, 2245, 2246, 2247, 2248, 2249, 2250, 2251, 2252, 2253, 2254, 2255, 2256, 2257, 2258, 2259, 2260, 2261, 2262, 2263, 2264, 2265, 2266, 2267, 2268, 2269, 2270, 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, 2279, 2280, 2281, 2282, 2283, 2284, 2285, 2286, 2287, 2288, 2289, 2290, 2291, 2292, 2293, 2294, 2295, 2296, 2297, 2298, 2299, 2300, 2301, 2302, 2303, 2304, 2305, 2306, 2307, 2308, 2309, 2310, 2311, 2312, 2313, 2314, 2315, 2316, 2317, 2318, 2319, 2320, 2321, 2322, 2323, 2324, 2325, 2326, 2327, 2328, 2329, 2330, 2331, 2332, 2333, 2334, 2335, 2336, 2337, 2338, 2339, 2340, 2341, 2342, 2343, 2344, 2345, 2346, 2347, 2348, 2349, 2350, 2351, 2352, 2353, 2354, 2355, 2356, 2357, 2358, 2359, 2360, 2361, 2362, 2363, 2364, 2365, 2366, 2367, 2368, 2369, 2370, 2371, 2372, 2373, 2374, 2375, 2376, 2377, 2378, 2379, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388, 2389, 2390, 2391, 2392, 2393, 2394, 2395, 2396, 2397, 2398, 2399, 2400, 2401, 2402, 2403, 2404, 2405, 2406, 2407, 2408, 2409, 2410, 2411, 2412, 2413, 2414, 2415, 2416, 2417, 2418, 2419, 2420, 2421, 2422, 2423, 2424, 2425, 2426, 2427, 2428, 2429, 2430, 2431, 2432, 2433, 2434, 2435, 2436, 2437, 2438, 2439, 2440, 2441, 2442, 2443, 2444, 2445, 2446, 2447, 2448, 2449, 2450, 2451, 2452, 2453, 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, 2465, 2466, 2467, 2468, 2469, 2470, 2471, 2472, 2473, 2474, 2475, 2476, 2477, 2478, 2479, 2480, 2481, 2482, 2483, 2484, 2485, 2486, 2487, 2488, 2489, 2490, 2491, 2492, 2493, 2494, 2495, 2496, 2497, 2498, 2499, 2500, 2501, 2502, 2503, 2504, 2505, 2506, 2507, 2508, 2509, 2510, 2511, 2512, 2513, 2514, 2515, 2516, 2517, 2518, 2519, 2520, 2521, 2522, 2523, 2524, 2525, 2526, 2527, 2528, 2529, 2530, 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, 2539, 2540, 2541, 2542, 2543, 2544, 2545, 2546, 2547, 2548, 2549, 2550, 2551, 2552, 2553, 2554, 2555, 2556, 2557, 2558, 2559, 2560, 2561, 2562, 2563, 2564, 2565, 2566, 2567, 2568, 2569, 2570, 2571, 2572, 2573, 2574, 2575, 2576, 2577, 2578, 2579, 2580, 2581, 2582, 2583, 2584, 2585, 2586, 2587, 2588, 2589, 2590, 2591, 2592, 2593, 2594, 2595, 2596, 2597, 2598, 2599, 2600, 2601, 2602, 2603, 2604, 2605, 2606, 2607, 2608, 2609, 2610, 2611, 2612, 2613, 2614, 2615, 2616, 2617, 2618, 2619, 2620, 2621, 2622, 2623, 2624, 2625, 2626, 2627, 2628, 2629, 2630, 2631, 2632, 2633, 2634, 2635, 2636, 2637, 2638, 2639, 2640, 2641, 2642, 2643, 2644, 2645, 2646, 2647, 2648, 2649, 2650, 2651, 2652, 2653, 2654, 2655, 2656, 2657, 2658, 2659, 2660, 2661, 2662, 2663, 2664, 2665, 2666, 2667, 2668, 2669, 2670, 2671, 2672, 2673, 2674, 2675, 2676, 2677, 2678, 26

This announcement appears as a matter of record only

US\$ 25,000,000

Medium Term Loan

FOR THE

**BNCC**

**Banco Nacional de  
Crédito Cooperativo S.A.**

Unconditionally guaranteed by

**THE FEDERATIVE REPUBLIC OF BRAZIL**

Arranged by

**RABOMERICA INTERNATIONAL BANK N.V.**

Managed and provided by

**BANCA NAZIONALE DELL' AGRICOLTURA**  
**BANK EUROPAEISCHER GENOSSENSCHAFTSBANKEN**  
**BANK OF AMERICA National Trust and Savings Association**  
**BANQUE FÉDÉRATIVE DU CRÉDIT MUTUEL**  
**CRÉDIT AGRICOLE (C.N.C.A.)**  
**COÖPERATIEVE CENTRALE RAIFFEISEN-BOERENLEENBANK B.A.**  
(Centrale Rabobank)  
**DG BANK Deutsche Genossenschaftsbank**  
**EUROPEAN BRAZILIAN BANK LTD. - EUROBRAS -**  
**GENOSSENSCHAFTLICHE ZENTRALBANK A.G.**  
**LONDON & CONTINENTAL BANKERS LTD.**  
**RABOMERICA INTERNATIONAL BANK N.V.**

Agent Bank

**RABOMERICA INTERNATIONAL BANK N.V.**

February, 1977







[illegible][illegible]

## International Bonds Traded in Europe

[illegible]

## Currency Rates

By reading across this table of yesterday's closing inter-bank foreign exchange rates, one can find the value of the major currencies in terms of the national currencies of each of the following financial centers:

Country	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100	2101	2102	2103	2104	2105	2106	2107	2108	2109	2110	2111	2112	2113	2114	2115	2116	2117	2118	2119	2120	2121	2122	2123	2124	2125	2126	2127	2128	2129	2130	2131	2132	2133	2134	2135	2136	2137	2138	2139	2140	2141	2142	2143	2144	2145	2146	2147	2148	2149	2150	2151	2152	2153	2154	2155	2156	2157	2158	2159	2160	2161	2162	2163	2164	2165	2166	2167	2168	2169	2170	2171	2172	2173	2174	2175	2176	2177	2178	2179	2180	2181	2182	2183	2184	2185	2186	2187	2188	2189	2190	2191	2192	2193	2194	2195	2196	2197	2198	2199	2200	2201	2202	2203	2204	2205	2206	2207	2208	2209	2210	2211	2212	2213	2214	2215	2216	2217	2218	2219	2220	2221	2222	2223	2224	2225	2226	2227	2228	2229	2230	2231	2232	2233	2234	2235	2236	2237	2238	2239	2240	2241	2242	2243	2244	2245	2246	2247	2248	2249	2250	2251	2252	2253	2254	2255	2256	2257	2258	2259	2260	2261	2262	2263	2264	2265	2266	2267	2268	2269	2270	2271	2272	2273	2274	2275	2276	2277	2278	2279	2280	2281	2282	2283	2284	2285	2286	2287	2288	2289	2290	2291	2292	2293	2294	2295	2296	2297	2298	2299	2300	2301	2302	2303	2304	2305	2306	2307	2308	2309	2310	2311	2312	2313	2314	2315	2316	2317	2318	2319	2320	2321	2322	2323	2324	2325	2326	2327	2328	2329	2330	2331	2332	2333	2334	2335	2336	2337	2338	2339	2340	2341	2342	2343	2344	2345	2346	2347	2348	2349	2350	2351	2352	2353	2354	2355	2356	2357	2358	2359	2360	2361	2362	2363	2364	2365	2366	2367	2368	2369	2370	2371	2372	2373	2374	2375	2376	2377	2378	2379	2380	2381	2382	2383	2384	2385	2386	2387	2388	2389	2390	2391	2392	2393	2394	2395	2396	2397	2398	2399	2400	2401	2402	2403	2404	2405	2406	2407	2408	2409	2410	2411	2412	2413	2414	2415	2416	2417	2418	2419	2420	2421	2422	2423	2424	2425	2426	2427	2428	2429	2430	2431	2432	2433	2434	2435	2436	2437	2438	2439	2440	2441	2442	2443	2444	2445	2446	2447	2448	2449	2450	2451	2452	2453	2454	2455	2456	2457	2458	2459	2460	2461	2462	2463	2464	2465	2466	2467	2468	2469	2470	2471	2472	2473	2474	2475	2476	2477	2478	2479	2480	2481	2482	2483	2484	2485	2486	2487	2488	2489	2490	2491	2492	2493	2494	2495	2496	2497	2498	2499	2500	2501	2502	2503	2504	2505	2506	2507	2508	2509	2510	2511	2512	2513	2514	2515	2516	2517	2518	2519	2520	2521	2522	2523	2524	2525	2526	2527	2528	2529	2530	2531	2532	2533	2534	2535	2536	2537	2538	2539	2540	2541	2542	2543	2544	2545	2546	2547	2548	2549	2550	2551	2552	2553	2554	2555	2556	2557	2558	2559	2560	2561	2562	2563	2564	2565	2566	2567	2568	2569	2570	2571	2572	2573	2574	2575	2576	2577	2578	2579	2580	2581	2582	2583	2584	2585	2586	2587	2588	2589	2590	2591	2592	2593	2594	2595	2596	2597	2598	2599	2600	2601	2602	2603	2604	2605	2606	2607	2608	2609	2610	2611	2612	2613	2614	2615	2616	2617	2618	2619	2620	2621	2622	2623	2624	2625	2626	2627	2628	2629	2630	2631	2632	2633	2634	2635	2636	2637	2638	2639	2640	2641	2642	2643	2644	2645	2646	2647	2648	2649	2650	2651	2652	2653	2654	2655	2656	2657	2658	2659	2660	2661	2662	2663	2664	2665	2666	2667	2668	2669	2670	2671	2672	2673	2674	2675	2676	2677	2678	2679	2680	2681	2682	2683	2684	2685	2686	2687	2688	2689	2690	2691	2692	2693	2694	2695	2696	2697	2698	2699	2700	2701	2702	2703	2704	2705	2706	2707	2708	2709	2710	2711	2712	2713	2714	2715	2716	2717	2718	2719	2720	2721	2722	2723	2724	2725	2726	2727	2728	2729	2730	2731	2732	2733	2734	2735	2736	2737	2738	2739	2740	2741	2742	2743	2744	2745	2746	2747	2748	2749	2750	2751	2752	2753	2754	2755	2756	2757	2758	2759	2760	2761	2762	2763	2764	2765	2766	2767	2768	2769	2770	2771	2772	2773	2774	2775	2776	2777	2778	2779	2780	2781	2782	2783	2784	2785	2786	2787	2788	2789	2790	2791	2792	2793	2794	2795	2796	2797	2798	2799	2800	2801	2802	2803	2804	2805	2806	2807	2808	2809	2810	2811	2812	2813	2814	2815	2816	2817	2818	2819	2820	2821	2822	2823	2824	2825	2826	2827	2828	2829	2830	2831	2832	2833	2834	2835	2836	2837	2838	2839	2840	2841	2842	2843	2844	2845	2846	2847	2848	2849	2850	2851	2852	2853	2854	2855	2856	2857	2858	2859	2860	2861	2862	2863	2864	2865	2866	2867	2868	2869	2870	2871	2872	2873	2874	2875	2876	2877	2878	2879	2880	2881	2882	2883	2884	2885	2886	2887	2888	2889	2890	2891	2892	2893	2894	2895	2896	2897	2898	2899	2900	2901	2902	2903	2904	2905	2906	2907	2908	2909	2910	2911	2912	2913	2914	2915	2916	2917	2918	2919	2920	2921	2922	2923	2924	2925	2926	2927	2928	2929	2930	2931	2932	2933	2934	2935	2936	2937	2938	2939	2940	2941	2942	2943	2944	2945	2946	2947	2948	2949	2950	2951	2952	2953	2954	2955	2956	2957	2958	2959	2960	2961	2962	2963	2964	2965	2966	2967	2968	2969	2970	2971	2972	2973	2974	2975	2976	2977	2978	2979	2980	2981	2982	2983	2984	2985	2986	2987	2988	2989	2990	2991	2992	2993	2994	2995	2996	2997	2998	2999	3000
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### Selected Over-the-Counter Stocks

[illegible]

**Tokyo Exchange**  
March 14, 1977

	Price Yen	
Glass	337	Matsuo E. Wks.
	592	Mitsubi Hyv. M.
Imp. Print.	560	Mitsubi Corp.
Bank	282	Mitsui Co.
Photo	814	Mitsukoshi
hi	609	Nippon Elec.
Motor	237	Sharp
h	287	Shiseido
Air L.	2,530	Sony Corp.
El. Pwr.	855	Sumitomo Bank
		Yamauchi

## Eurocurrency Interest Rates

Dollar	Mark	Franc
42-47	42-46	23-3
47-48	47-48	3-3 1/4
50-52	49-47	3-3 1/4
52-53	47-42	3-3 3/4
6-8	41-5	3-3 3/4

ASS CHARRINGTON L

(CDRs)

Associatie N.V., Spuistraat 115, Amsterdam, div. cp. No. 123456789. De Bass Charrington Ltd. 50 shs. will be payable on 30.09.76. 2.852368 per share. Credit. £0.7679 = D

AMSTERDAM DEPOS

COMPANY N.  
Amsterdam, March 10, 1941

EUROPE'S FINEST JEWELLERS  
HAVE SOMETHING VERY SPECIAL  
IN COMMON.



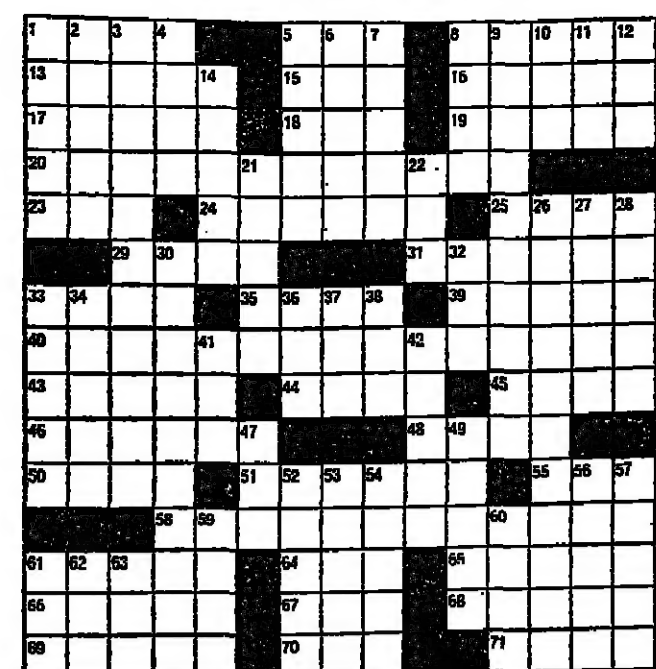
100

# Audemars Piguet

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## CROSSWORD—By Eugene T. Maleska



- ACROSS**
- 1 Use barbell  
5 Musical notes  
8 "— of thousands"  
13 Malarial symptoms  
15 Kinzono adjunct  
17 — case (anxious)  
18 Whisky  
19 Overcoat for tribute  
20 Trucks, freight cars, etc.  
22 Scouting word to a horse  
24 Relax  
25 Concordes  
29 Amphibians  
31 To —  
32 Go a round  
35 The Hawkeyes  
39 U.S. air base in Spain  
40 Certain ambassadors  
42 Falsity  
44 U.S. writer  
45 Alpine wind  
46 Exercised judgment
- DOWN**
- 43 Dep.  
49 Chaser  
51 Counsel  
55 Chou En —  
58 Diamond tactics  
64 Pasture  
65 Thai's money  
66 City in Turkey  
67 Musical syllable  
68 River of France  
69 Reportable  
70 Invite  
71 Calculates
- 14 Avocet's cousin  
21 Polite turn-down  
22 Neighbor of Que.  
26 Overly strict  
27 Street sounds  
28 Import  
30 Polk, Taft, Truman, etc.  
32 Latin paradigm  
33 Very many  
34 Ancient: Prefix  
36 Harem room  
37 Jasey  
38 Copycat  
41 Before  
42 Hire  
47 Fam. member  
49 Seven: Comb. form  
52 Region in La.  
53 Serves  
54 Walton, the angler  
56 "... and — wide"  
57 British  
59 Harbor feature  
60 Mous —  
61 Prohibit  
62 Chemical ending  
63 Chew the rag

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## WEATHER

ALGAEVE	61	Clear	SHADEN	11	25	Cloudy
AMSTERDAM	10	Cloudy	MIAMI	26	28	Clear
ANAKA	13	29	MILAN	24	27	Cloudy
ATREX	18	64	MOSCOW	3	28	Cloudy
BEIRUT	19	68	MUNICH	13	54	Overcast
BELGRADE	11	52	NEW YORK	15	58	Variable
BERLIN	11	52	OSLO	3	37	Overcast
BUSINESS	10	50	PARIS	11	58	Variable
BUDAPEST	6	43	PRAGUE	16	61	Cloudy
CARACAS	11	52	SOFA	4	29	Overcast
COPENHAGEN	5	41	STOCKHOLM	12	24	Cloudy
COSTA DEL SOL	21	29	TURIN	22	27	Clear
DUBLIN	11	52	TUNIS	21	20	Clear
EDINBURGH	9	48	WARSAW	11	52	Cloudy
FLORENCE	15	39	WASHINGTON	14	27	Cloudy
FRANKFURT	11	52	SURINCH	4	46	Overcast
GENOVA	11	46				
HELSINKI	1	34				
ISTANBUL	18	61				
LAS PALMAS	28	62				
LISBON	15	39				
LONDON	11	52				
LOS ANGELES	11	25				

## INTERNATIONAL FUNDS

**ADVERTISEMENT**  
March 14, 1977

The net asset value quotations shown below are supplied by the Funds listed with the exception of some Swiss funds whose quotes are based on some interest. Following market symbols indicate frequency of quotations supplied for the U.S. (d)—daily; (w)—weekly; (m)—monthly; (q)—quarterly; (l)—irregularly.

**BANK JULIUS BAER & Co. Ltd.**

(d) Eurobond..... SP250.10  
(d) Comar..... SP198  
(d) Grobar..... SP182  
(d) Grobar..... SP182

**BANQUE VON BERT & Co.**

(d) CEF Fund..... SP24.50  
(d) CEF Fund..... SP24.50  
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**CAPITAL INTERNATIONAL S.A.**

(d) Capital Int'l..... SP14.03  
(d) Capital Int'l..... SP14.03

**CREDIT SUISSE**

(d) Activa Suisse..... SP270.30  
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(d) Activa Suisse..... SP270.30

**DUT INVESTMENT FRANKFURT**

(d) DUT Fund..... DM10.10  
(d) DUT Fund..... DM10.10

**FIDELITY**

(d) Fidelity Amer. Assets..... SP19.28  
(d) Fidelity Div. Assets..... SP17.10  
(d) Fidelity Pacific Fund..... SP24.79  
(d) Fidelity World Fund..... SP15.22

**G.T. (BERNESE) LIMITED**

(d) G.T. Fund..... SP25.75  
(d) G.T. Fund..... SP25.75

**JARDINE FLEMING**

(d) Jardine Japan Fund..... SP58.82  
(d) Jard. Sub East Asia..... SP12.26

**LOYDS INT. MGT. CO. LTD. GENEVA 11**

(d) Lloyds Int'l Growth..... SP238.00  
(d) Lloyds Int'l Income..... SP234.50

**PROPERTY GROWTH OVERSEA LTD.**

(d) P.G. Fund..... SP101.02  
(d) P.G. Fund..... SP101.02

**SEPCO**

(d) Sepeco (N.A.V.)..... SP13.24

**SOPID GROUPE GENEVA**

(d) Sopid Gro. S. Est..... SP1,554.50  
(d) Sopid Gro. S. Est..... SP1,554.50

**SWISS BANK CORP.**

(d) American-Value..... SP2468  
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**UNION BANK OF SWITZERLAND**

(d) Union U.S. Sh..... SP23.25  
(d) Union U.S. Sh..... SP23.25  
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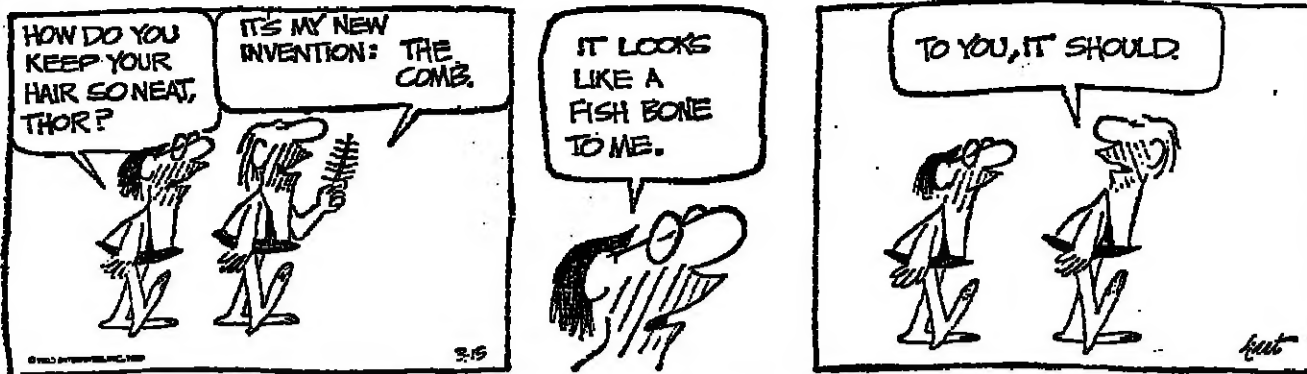
**UNION INVESTMENT FRANKFURT**

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## PEANUTS



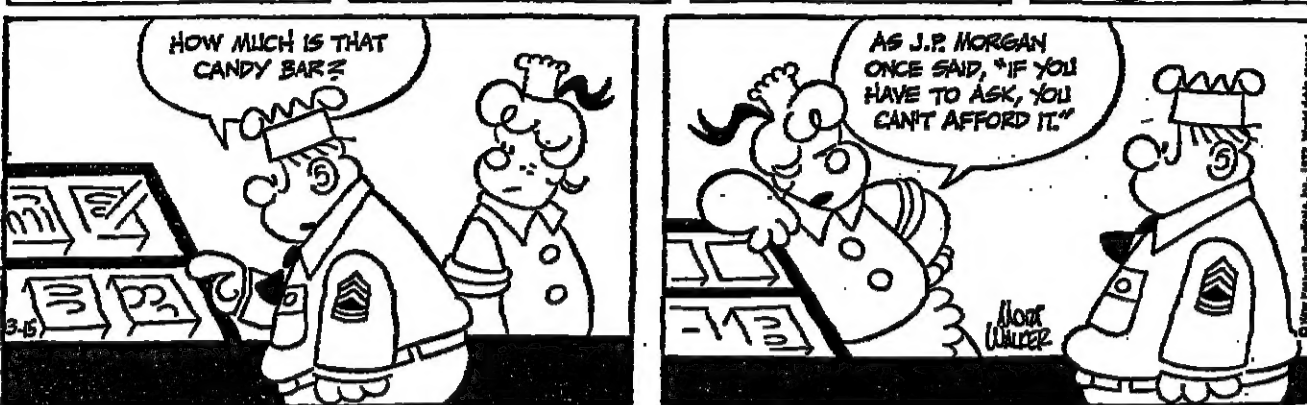
## B.C.



## BLONDIE



## BEETLE BAILEY



## ANDY CAPP



## WIZARD OF ID



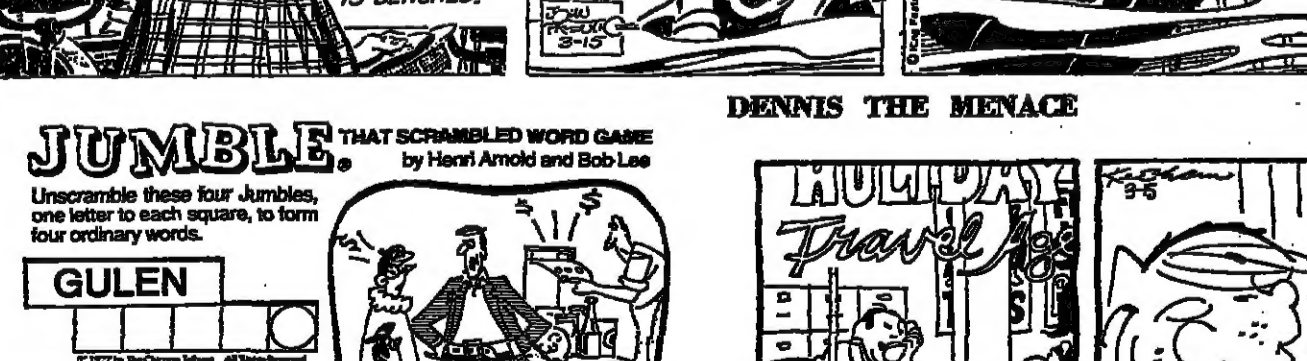
## REX MORGAN M.D.



## RIP KIRBY



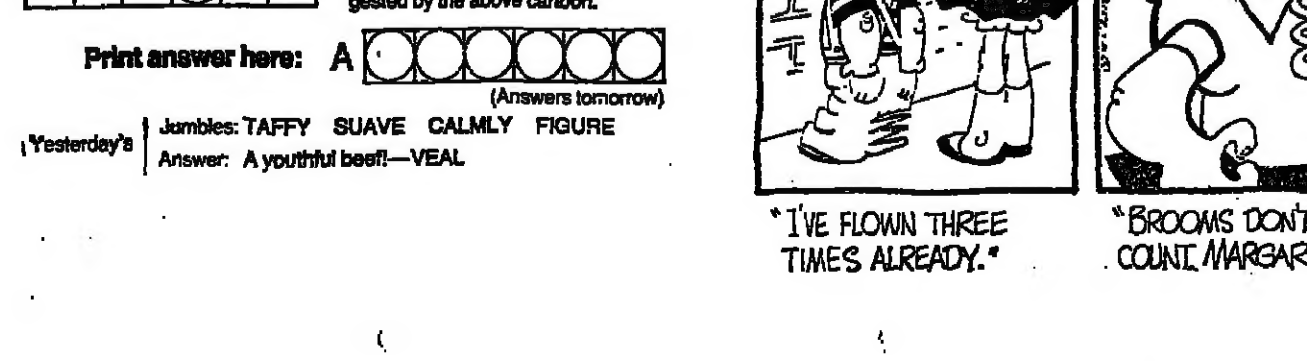
## DENNIS THE MENACE



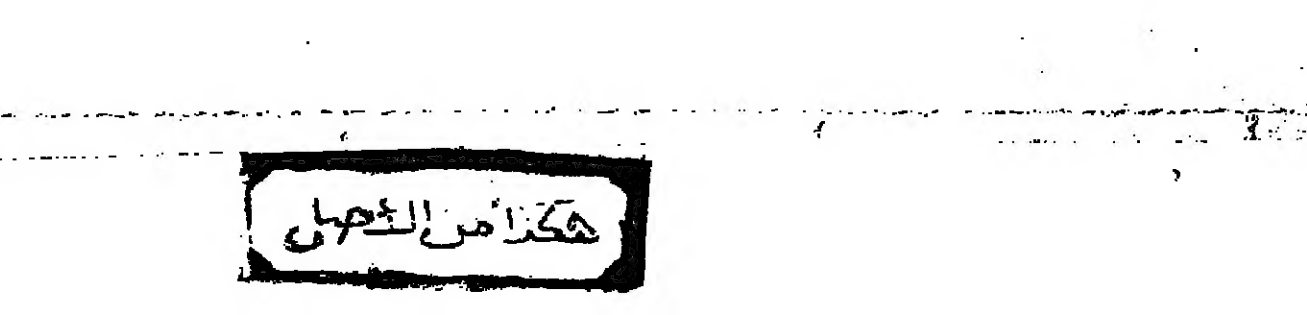
## JUMBLE



## GULEN



## CANKK



## FLITUE



## BRONCA



## BOOKS

## FALCONER

By John Cheever. Knopf. 211 pp. \$7.95.

Reviewed by Christopher Lehmann-Haupt

AFTER a first reading of John Cheever's extraordinary new novel, "Falconer," I could report that I had devoured it hungrily, marveled at the grace of its prose, been given nightmares by its early passages, and come away from it with a sense of a world set right. Yet for the life of me, I could not recall it in detail. Beyond its having been about an upper-middle-class WASP heron addict named Ezekiel Falconer, who goes to a prison called Falconer for killing his brother, Ebenezer... beyond that and certain isolated, disconnected scenes, it seemed a luminous black. This only means of course that the novel does its work subliminally, that its very genuine and disturbing power is ineffable, which is all the recommendation the book really needs.

Still, one has an obligation to tinker. So I read "Falconer," a second time, underlining, taking notes, committing its sequences to memory. Of course, the details are hard to recall because the plot is so disjointed. Indeed, Cheever seems to spurn the very idea of plot. He initiates any number of developments—Falconer's wife talks about suing him for divorce; Falconer begins to build a radio so that he can follow the progress of a prison riot upstairs; he worries about some prison guard's finding the sharpened typewriter key with which he cut the copper wire for his radio; he writes an eloquent letter to the governor demanding the punishment of Superintendent Chisum for having sadistically deprived him of his methadone fix—and then Cheever drops them.

True, this may be realistic insofar as all prison activity is pointless time-filling—so many campaigns to fight off the deadly enemy, torpor, what for Falconer is "a lewd and putrescent nothingness." Still, Cheever's story itself, not just his marvelous evocation of prison life, is a riot of surrealist fragments. Falconer speaks of the past, his minders, Yankov's family, the invigorating power of autumn leaves, death. The misshapen souls on Falconer's cellblock tell their tragicomic histories. Tiny, the enormous turnkey, commits a bloody slaughter of innocent cats in revenge for having his dinner picked at by one of them. The cardinal of Falconer's archdiocese arrives by chopper to bless the graduates of an extension course in the essence of banking.

## Solution to Previous Puzzle

ADD	SALTS	SCOT
ACRE	EVIAN	CHAR
CHILAVISTA	AIARE	
TECHNICAL	THESE	
BERE	DIBET	
MAJINE	DRESSAGE	
ETINGS	NOIRE	URN
BIEN	COIS	AQUA
EMIS	DOLLS	CRUISE
LEADERS	IN	MALIS
PIENNY	WISH	
GRISE	PARTY	FOR
LEAR	CHANCELLOR	
ELKE	TIERSE	BEY
FIVER	SWEET	SEE

Christopher Lehmann-Haupt is a book reviewer for The New York Times.

## BRIDGE

By Alan Tr...

The diagramed deal presents some interesting problems. East began the auction with a strong artificial one-club bid, and South tried to crowd the auction with a jump to two hearts.

South's venture would have cost him nothing against opponents using normal penalty doubles or the method favored by most big club systems, the card-showing double indicating moderate strength. Instead, East-West were using the double as a penalty suggestion, based on three or four trumps, and East was happy to pass. South had to wonder whether he should look for a better spot, but decided to stand his ground.

In two hearts doubled, East-West were sure of a plus score, and had a good chance of scoring more than would have been available to them in a game contract. West did not have a clear-cut lead; as it happens, a spade lead would have been the most effective, but West chose the club ace.

The obvious move for West at the second trick was to play a trump, preventing a club ruff in the dummy. But it is easy to see that South would then have made six tricks by drawing trumps if East took his ace and shifted to a spade, or seven if East won and returned a club or a trump. The best defense would have been to allow the king to win in the dummy.

In practice, West made a surprising play that worked. He led his remaining club at the second trick. South seized the opportunity to take the club king and ruff a club in the dummy. He







